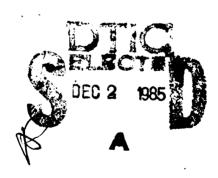
AN ANALYSIS OF LEFT AND RIGHT WING TERRORISM IN ITALY

by

Capt. Kenneth R. Langford



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Thesis submitted to the Faculty of the Defense Intelligence College in partial fulfillment of the requirements for the degree of Master of Science in Strategic Intelligence

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ABSTRACT

Title of Thesis: An Analysis of Left and Right-Wing Terrorism in Italy

Kenneth R. Langford, Master of Science in Strategic Intelligence, July 1985

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The purpose of this study was to analyze, in terms of intelligence principles, left and right-wing terrorism in Italy. Italian terrorism is deeply rooted in political and socio-economic developments of the post-World War II era. The events surrounding these developments were closely examined in an attempt to understand the rise of Italian terrorism. The second, but equally important purpose, was to present a study which applied indications and warning analytical techniques to the terrorist problem in a given region.

The scope of this study included a systematic review of significant events peculiar to Italy's post-World War II years. Beginning with political and socio-economic developments immediately following the war, events were traced and discussed through the violent outbreak of terrorism in Italy. Government countermeasures were identified in Italy's bid to cope with the terrorist menace. Indications and warning methods were applied to key events to better understand the phenomena of Italian terrorism. This analysis demonstrated that the methods may be successfully applied, with certain restraints. Additional application of I&W analysis to other terrorist problems should be encouraged to strengthen the intelligence base in this mostly untouched arena of analysis. The thesis concluded with a prognosis of the future directions of terrorism in Italy.

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CHAPTER I

INTRODUCTION

For more than fifteen years Italy has been plagued by terrorism from both left and right wing extremists. These groups have proven a great menace to the politics and government of the Italian state. Each wing has contributed individually, motivated by its particular ideology, but together they have produced a combined chaos that almost overwhelmed the country. This introductory chapter will examine right and left-wing terrorism, briefly identifying their origins, ideals, goals, modes of operation, and impact upon the Italian government.

Right-wing terrorism in Italy began to take its lethal form in the late 1960's as a result of dissatisfaction with Italian government and politics as felt by extreme elements of the right. Feeling unable or unwilling to express their dissent through conventional political means, right-wing extremists set about to undermine Italy's parliamentary style of government. Packaged in what is known as the "strategy of tension," these fringe groups set about to create chaos and crisis within the Italian state and society as a whole in a bid to make way for a "strongman" takeover, modeled after Mussolin's drive to power in the 1920's. Toward this end, the right-wing terrorist is not encumbered by any sense of conscience as evidenced by their horrendous acts of violence. This violence, which is often committed on a grand scale (usually bombings), is believed by these groups to be the expedient by which their neo-fascist goals can best be achieved. Four of the most notorious examples of these terrorist acts follow:

- The first major bombing occurred December 12, 1969 in front of

the Bank of Agriculture in Piazza Fontana in Milan. The neo-fascist group Ordine Nuovo (New Order) was held responsible for this atrocity. The explosion killed 16 people and wounded over 90^{1} .

- On May 28, 1974, a high-explosive time bomb was hidden in a plastic garbage bag and placed in a square in Brescia, near Milan, where an anti-fascist rally was being held. The bomb was detonated in the midst of the demonstrators and cost 8 lives while injuring 90 others. Another right-wing extremist gang bore responsibility for that blast, the Ordine Nero (Black Order)².
- It is believed that the National Revolutionary Front and the Armed Revolutionary Nuclei were responsible for the 1979 explosion that damaged the facade of Rome's historic city hall building, designed by Michelangelo, and the Regina Coeli Jail (Queen of Heaven Prison)³.
- The most horrid of Italian right-wing terrorist acts occurred on 2 August 1980 at the train station in Bologna. The train station was packed with families bound for their annual vacations. It was reported by witnesses that there was suddenly a huge spout of yellow flame, followed by a thunderous noise. The station's windows then blew out. The entire left side of the building rose in the air, then collapsed into a crowded restaurant. The roof sagged and fell onto a waiting room. A three-car train that was about to leave for Switzerland was smothered by rubble. This all resulted in the death of 84 and injury to 200. Three hours after the blast, a Rome newspaper received a familiar call saying, "This is the Armed Revolutionary Nuclei. We claim responsibility for today's attack on Bologna Station." This horrible act counted as the worst terrorist blood-bath in Italy's

terror-torn history⁴.

As stated by Francesco Cossiga, "Unlike left-wing terrorism, which strikes at the heart of the state through its representatives, black terrorism prefers the massacre because it promotes panic and impulsive reactions." This statement very well expresses the right-wing philosophy regarding the grand scale use of terrorist violence in its quest for establishing a totalitarian state.

Another strategy was employed by rightists early in their attempt to install a fascist government. This was known as the trame mere (black conspiracy) and was closely linked to the strategy of tension. It intended to exploit the climate of violence and political confusion in order to stage a coup. Three such attempts occurred.

In 1964, General DeLorenzo, who was then in charge of Italy's counterespionage service, reportedly was in the center of a right-wing plot to overthrow the government. The charges that ensued were never substantiated but he did resign from the army as a result. The charges had accused him of using his position to enact a coup d'etat. After resignation, however, he was elected to the Italian Parliament on the Monarchist-Fascist ticket of LaDestra Nazionale.

Next to appear in these series of poorly orchestrated attemps was a figure familiar to many Italians, Prince Valerio Borghese. Borghese was a former commander in the Italian Navy. He was heralded as a hero during World War II for his exploits against the British Navy. Prince Borghese, who was known also as the Black Prince, came from Italian aristocracy. Following imprisonment for war crimes, he became active in right-wing politics. In 1968, he created the Front Nazionale. His

organization, composed of nearly three thousand members, took an increasingly reactionary form. This movement culminated in an abortive coup on December 7, 1970 which consisted of an attempted march on, and seizure of, the Ministry of Interior. After this failure, Borghese fled to Spain where he died two years later.

The third and final such plot to overthrow the government was uncovered and foiled in 1973. It had been planned by a clandestine right-wing group known as Rosa dei Venti (Compass). Its ranks included industrialists, MSI supporters (MSI is the right-wing, neo-fascist party of Italy), and some military figures.

Right-wing terrorism, though demonstrating some resurgence, crested largely between 1969 and 1974. There are two primary reasons for this which will be briefly discussed.

Right-wing politics is represented in the Italian parliamentary government by the MSI (Italian Social Movement). This neo-fascist party is currently headed by Giorgio Almirante, who was a petty official in Mussolini's Administration. It holds approximately 30 of the 630-seat Chamber of Deputies and 13 in the 315-seat Senate. As such, it is the fourth largest party in Italy. Though it has resoundingly denounced the violence of the ultra-right, it has been showered with accusations of complicity and sympathy with right-wing terrorists. These accusations are not unfounded since many links of varying degree have been proven to exist between the MSI and the fringe rightists, both in the past and present. Also, the Italian security forces and intelligence services have historically held within their ranks elements of the extreme right who have lent significant support to the right-wing

terrorists and their extremist cause.

In 1973 and 1974 a somewhat successful purge of the MSI was carried out under Almirante, aimed at ridding the party of the far rightists who had worked their way into the organization over the years. This campaign proved to be a stifling blow to the terrorists who now found themselves without the party support and contact upon which they had come to depend.

Secondly, the fledgling terrorist groups of the far left had emerged and come to overshadow the activities of the neo-fascists during this period. To turn back briefly, a fundamental reason for the rise of the extreme rightists in the late 1960's was the perceived growth of the Italian Communists. Central to the neo-fascist cause is the expurgation of communism in all of its forms. Much of the early violence caused by the right was blamed on the left in an effort to shift public sentiment. The Milan explosion described earlier was designed to make the leftists culpable. Initially, this ploy met with success but was later uncovered.

For this and other reasons which will be enumerated later, the leftists rose in opposition to the right and Italy's reigning government. Their movement gained much strength, and in so doing surpassed terrorism of the ultra-right.

Although the right does not possess the prominence of left-wing terrorism, the Bologna incident demonstrated that right-wing terrorism is a potentially awesome force that must be recognized and combatted. Also, it holds a certain amount of appeal. J. Bowyer Bell sums up this point nicely when he says, "The neo-fascists arise from a long, if not

especially attractive historical tradition. The appeal of nationalistic slogans, and opportunity for action, and the presence of a satanic opponent in the alien, equalitarian communists is obvious. This appeal built on historic prejudices, regional predilections and personal attitudes has produced in Italy a movement of the right in an era when all that was left of the Fascist-Nazi wave of the future in Europe was a few vestigial remnants".6

Opposite Italy's right-wing terrorists are those of the extreme left. Several generally recognized factors and developments were responsible for the violent birth of left-wing terrorism in Italy. The following are some examples:

- The strategy of tension discussed earlier and the right-wing threat that it posed.
- Disillusionment, which was spawned among young communist militants during the late 1960's due to a perceived shift to the center of the Italian Communist Party (PCI).
- The end of the Italian "economic miracle" which resulted in unusually violent labor protests (strikes, demonstrations, and clashes with the police) in the fall of 1969 (the "hot autumn"). This led to a climate of tense, often violent social conflict which reinforced the view that Italy's capitalist society was undergoing its most serious crisis ever and that armed struggle would make its collapse inevitable.
- The creation, in many northern factories, of the autonomous workers organizations. They fervently fought the labor unions and called for more politicized, militant, and violent forms of struggles, such as boycotts and sabotage.

- The general sense of dissatisfaction which resulted from the failure of the center-left government coalition (Christian Democrats, DC, and the Italian Socialist Party, PSI) to deliver most of the social reforms it promised. This furthered the belief that revolution, as opposed to reformism, was the only strategy the working class should pursue.
- The bitter disappointments that followed the great hopes raised when the 1967-68 student movement prevailed. Radical students shared the belief that the bourgeois society was nearing its end, and when events proved otherwise, many students turned to more extreme forms of militancy.
- Finally, the leftists were undoubtedly influenced by the example of Latin American guerrillas, particularly the Tupamaros.

All of the above factors provided fertile ground for the inception and rise of violent left-wing terrorism. The Brigatte Rosse (BR), Red Brigade, embodies left-wing terrorism in Italy due to its dominant influence and efficient terrorist record. Therefore, a somewhat detailed look at the BR is useful in gaining an insight into the broader category of Italian left-wing terrorism.

Renalto Curcio stands out as the best known of the BR founders. Born out of wedlock to Yolando Curcio and Renalto Zampa, a respected Italian societal figure, Renalto Curcio was destined to lead one of the most notorious and violent terrorist organizations in Europe. His radical ideology was formed and nurtured during his years studying at the University of Trento, where he immersed himself in the student politics of the time (1964-69). These were years of great student and

labor unrest and the period that gave birth to the BR.

The BR was initially composed of a "historic nucleus" comprised of former Catholic students from the University of Trento, former activists of the PCI, and members of the PCI youth organizations from the heavily communist Emilia region. There were also former militants of the extraparliamentary parties and groups of the left. They built their ideology on a Marxist-Leninist foundation, advocating the overthrow of the Italian government by revolutionary means and the installation of the Commmunist System of "free and equal men" in its place. They dedicated themselves to the concept of long-term struggle against the State and "Class Warfare" which they say must be conducted until such time as a "full cale armed insurrection by the proletariat" is possible. Anti-US and Anti-NATO, the BR also became dedicated to a struggle against Western "imperialism." It regards the Italian State as "the imperialist state of the multinationals" and as such say it must be eradicated.

Initially, in the early 1970's, the terrorist attacks mounted by the BR were high in symbolic content and low on physical injury. The nallmark of their activity during this period included arson attacks against cars belonging to managers of large firms or against known neofascists. Occasional well-planned and publicized kidnapings of wealthy industrialists were also conducted, which resulted in "proletariat trials" and release of the prisoner for large ransoms (the large sums of money acquired were spent on guns, ammunition, cars and other logistical materials). Many of their early "proletariat trials" were little more than interrogations to gain information about future targets. The BR, during this period, emphatically projected themselves as

champions of the working class, committing their acts in the name of the proletariat struggle. It was a time also when this clandestine group evolved into a disciplined, sophisticated, and deadly organization. 8

It was not until 17 June 1974 that loss of life occurred as a result of a BR act of terrorism. The incident took place outside of MSI party branch offices in Padua where two MSI militants were killed. This shift in tactics reflected a more daring and capable Red Brigade. They had expanded their operation from Milan and now included the industrial cities of Turin and Genoa. They had come to understand the significant role of the media and how to dominate it through their intrepid acts as evidenced by the 54 day Moro kidnapping ordeal. 9

The operations of the BR became precise to the smallest detail. Their targets were carefully and purposefully selected, studied, and ultimately overcome with frightening success. Six political kidnappings which reflected their sophistication, were perpetrated between March 1972 and April 1974 in Milan, Turin, and Genoa.

The BR strategy further evolved during the mid 1970's into striking at the heart of the state. They demonstrated this with the abduction of the public prosecutor in Genoa, Mario Sossi, on 18 April 1974; the murder of Francesco Coco, chief magistrate in Genoa, on 8 June 1976; and the kidnapping and ultimate murder on 8 May 1978 of five times prime minister Aldo Moro, then president of the Christian Democrats.

As an aside, it is fascinating to note the precision with which the Moro abduction was conducted. Minutes before the ambush, all telephones for about five blocks around the scene were "knocked out" when someone pulled the plugs at a local exchange. A flower vendor, who normally peddled chrysanthemums and roses at the spot where Moro was grabbed, stayed home that day because someone had slashed the tires of his van. The terrorists even obtained the keys to unlock a chain barring an alley that one of the getaway cars was to use. As zero hour approached, an accomplice staged a car accident in an adjoining street to keep the escape route clear. 10 This type of brutal efficiency became the trademark of BR operations.

After 54 days of being kidnapped, during which Italian government refused to negotiate with the BR, Moro's body was found in the back of a stolen Renault stationwagon parked on the Via Michelangelo Caetani in Rome between the headquarters of the PCI and the DC. The BR had challenged the Italian state and proven it weak, after 15,000 police had searched in vain trying to locate and rescue Moro.

During the abduction, the BR had issued in familiar fashion nine communiques announcing the "proletariat trial" of Moro and his proclaimed guilt of crimes against the working class. This was followed with specific demands for the release of imprisoned BR leaders. They did not achieve this, however, they did receive unprecedented publicity. Additionally, the BR seriously discredited the Italian security forces. But by so doing they forced the Italian State to turn a corner in the country's fight against terrorism by better training, equipping, and funding its security forces. The BR also alienated large portions of the Italian population and thereby diminished their terrorist potential. Though this period brought to a close an era in BR activity, it certainly did not spell the organization's demise.

Looking back, during the mid-seventies the old "historic nucleus" was largely destroyed. Its corps had been captured and imprisoned, making way for a "second generation". This group was to prove more deliberate in their violent acts but less intellectually sophisticated. Under this new generation, murders were common and leg shootings were order of the day operations.

The BR's activities were ruthless and had an extremely intimidating effect. After the Coco murder, the trial of Curcio, who had been captured by the Carabinieri in September of 1974, had to be postponed because of threats made on the lives of jurors. Intimidation would also prevail one year later when the adjudicating panel, consisting of magistrates and lay jurors, was finally reconstituted. In fact, on 25 April 1977 Fulvio Croce, president of the Turin Bar Association was murdered by three brigadists as he entered his office building. Thereafter 36 of 42 potential jurors preliminarily selected for the Curcio trial asked to be excused for medical reasons. The trial was postponed once again. 11

These violent but selective acts of murder, kidnapping, kneecapping and robbery raged through the seventies. In 1977 alone nearly 2,400 acts of political violence occurred. These statistics, however, crested near the end of the seventies. In 1980, acts of political violence dropped to a little over 1,200 and arrests soared to over a thousand. 13

The BR was not dead. They demonstrated their virulence and resiliency by kidnapping General James Dozier. Dozier was held for 42 days before his rescue by Italy's elite counterterrorist forces.

This was obviously a cripppling blow to the BR. Dozier's successful rescue coupled with approximately 42 arrests, including that of mastermind Giovanni Senaani, produced a critical setback. During frequent raids, the police impounded missiles, hand grenades, guns and 3,000 pages of documents. One of the plans revealed a plot to overtake the television cameras during the nationally televised Christian Democrat conference. While the cameras would be focused on the politicians, the representatives would be gunned down and a BR communique read. 14

The Dozier kidnapping revealed several points worth mentioning. The BR is a highly resilient organization. Its sophistication was increasing and it had expanded its operational scope as evidenced by this attack on a NATO, U.S. Officer. But, the increased effectiveness of the Italian security forces and the weakened condition of the BR became evident. The organization suffered as a result of its leadership depleted through arrests and stiff sentences. Recruiting was also put at a disadvantage as a result of the BR's tarnished image. This resulted in fewer recruits. The organization must rely on less tested, less committed members who are less likely to die for the cause and more likely to talk when captured. It has been suggested that this may account for the Dozier success. 15 According to Claire Sterling, author of the "The Terror Network," other terrorist groups are so alarmed about the brigades' recruitment problem that they held a summit in Lausanne, Switzerland to offer advice. 16

Though the BR have been dealt a stifling blow, largely due to the increased effectiveness of the Italian security agencies and strong strong legislation. The Red Brigades have demonstrated their impres-

sive resilience in the past. The Italian security forces remain extremely wary, as they liken the BR to a "wounded animal". 17

FOOTNOTES

- 1. Alessandro Silj, <u>Never Again Without A Rifle</u> (New York, N.Y.: Kara Publishers, 1979), p. VIII.
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CHAPTER II

POSTWAR POLITICAL. GOVERNMENTAL AND ECONOMIC DEVELOPMENTS

The political, governmental, and economic conditions of post World War II Italy leading up to the emergence of grand scale left and right wing terrorism within the country was briefly addressed in the previous chapter. A closer look at these developments is needed to fully understand the large scale outbreak of terrorism which occurred during the late 1960's. This study is critical since the roots of Italy's terrorist problems are deeply embedded in this historic period of events.

After the fall of Mussolini's fascist government, Italy held a referendum to decide a future form of government. On June 2, 1946 the plebiscite resulted in a releatively narrow decision favoring a republic over a monarchy (12.7 million voters for a republic, 10.7 million opposed). A constitution was subsequently drafted and approved in December 1947. It became effective 1 January 1948 and marked the beginning of Italy's parliamentary style of government. This governmental form included: a president of the republic, a constitutional court, and three branches of government (executive, legislative and judicial). A brief description of each branch of government follows.

The constitution stated, "the President is the Head of State." The presidency is a seven year office and is elected by both houses of parliament in joint session along with three representatives from each region. The Italian president is assigned duties similar to those of a constitutional monarch, which includes promulgating laws, accrediting and receiving diplomats, and conferring state honors. More importantly, the president appoints the president of the Council of Ministers (prime

minister). 2 The prime minister's post is singularly the most important within the Italian government.

The prime minister heads the Council of Ministers which is comprised of nineteen ministry departments and as many as six ministers without portfolio. Collectively, the prime minister and the Council of Ministers form the executive branch referred to as the government. The country's direction is mostly determined by this administrative body.

Italy's Parliament, its legislative branch, consists of the Senate and Chamber of Deputies. A proportional representation system exists in both houses. Therefore, party strength in each Italian district largely dictates respective party representation in each of the two Parliamentary houses.

In addition to its legislative work, the Italian Parliament has duties and powers similar to those usually assigned to legislatures in other countries these include the approval of the national budget and approval of treaties with foreign nations.

Either house of Parliament may bring down a government through a no-confidence vote. Additionally, Parliament may formally question cabinet members to gain information about the conduct of government. These powers are frequently used by opposition parties to embarass the government or a particular minister.³

In theory, the Italian system of government is sound. However, the throes of Italian politics frequently undermine its stability and consequently its basic functions.

Very briefly, the Italian judicial system is based upon Roman civil law. The two types of courts within Italy are the civil and

criminal law courts, and administrative courts. Civil and criminal courts deal exclusively with civil and criminal matters while administrative courts are established to protect individuals against arbitrary actions by state authorities. The court system was nearly emasculated during the height of Italy's struggle with terrorism as will be seen in a later chapter.

With this brief review of Italy's government structure provided as background, attention is turned to italy's postwar politics. The Christian Democrat Party (DC) has always played a leading role in Italian politics. From 1948 through 1968, it has consistently led party coalitions in Italy.

The DC suffered many divisions within its organization during this period. However, the party's staunch anti-communist theme held the organization together in spite of its internal problems.

Another source of strength was the DC's close but unofficial ties with the church. At the end of the war, when the monarchy and the political institutions were discredited, the church was the one tradiditional and familiar feature of Italian life that could still command the respect of a large number of Italians. The DC gained credibility and greater legitimacy through its relationship with the church. The church in turn benefited by indirectly gaining a voice in government affairs. The clergy had been banned from membership in political parties, but the church's ties with the DC ensured them party influence and a voice in political matters.

During the 1950's and 1960's, two factions within the DC struggled for control. The left wing favored closer alignment with the parties

of the left while the rightists stood adamantly opposed to the move. Through the late 1960's all factions agreed on hardline anti-communism, but the party's governing philosophy was about to change and an "opening to the left" would result. This political shift will be discussed later.

Italy's second most powerful party is the Italian Communist Party (PCI). It was established in 1921 as the result of a break off of left-wing Socialists from the Italian Socialist Party.

The PCI emerged from World War II with a strong and flexible organization. The PCI had contributed significantly to the resistance movement during the war. It was through this and its representation of the working masses that the PCI gained such impressive strength. In recent years the PCI has attempted to broaden its appeal and attract white collar and technical workers, but it still remains largely a working class party.

The PCI was strongly influenced by the Soviet Union until after the war when a gradual weaning from Soviet influence occurred. The PCI grew more accommodating of Italy's pro-western posture. Italy's membership in NATO and the Common Market, for example, was eventually accepted. Although the PCI condoned the Soviet invasion of Hungary in 1956, it renounced the Soviet invasion of Czechoslovakia in 1968. In time the PCI would grow altogether independent of Soviet international policy.

This growing moderation on the part of the PCI proved disturbing to elements of the extreme left. At the same time, the ultra-right grew restive over the DC's growing moderation. These trends were viewed as a threat by both extremes. Combined with other social and economic

developments these events would prove volatile.

Another principal player in Italian politics is the Italian Socialist Party (PSI). Since its beginning in 1892, the PSI has continually experienced splits within its ranks. This remained the case through the postwar years. The issue dividing the party during that period was the question of relations with the PCI. Under its leader, Nenni, the PSI closely aligned itself with Italy's communist party. This caused a split in 1947 when a group under Saragat left the PSI and formed the Social Democrats. During the mid-1950's, Nenni reversed his position and drew his party away from the PCI partnership. He then became an advocate of a DC-PSI coalition. The coalition occurred in 1963 but not before creating another split within the party ranks. Protesting the PSI's moderation, a group of dissenting leftwingers broke away and formed a new group under the old name Italian Socialist Party of Proletarian Unity (PSIUP). Schisms continue to plague the party but it remains a formidable power.

On the far right of Italian politics sits the Italian Social Movement (MSI). The neo-fascist party was clandestinely formed in the 1940's by former officials of the Mussolini regime.

The supporters of the extreme right were significant in the immediate postwar period from the Allies' point of view, not as destabilizing agents but rather as a source of stability. The most important contribution of the right wing to the new Italian Republic was vigorous anti-communism; suitably purified and sanitized, fascism delivered both a core of administrative personnel, trained under the fascist dictatorship, to support the civil service, the judiciary and

trialists and landowners for the new regime. Associated with the integration of these potentially destablishing elements were the emergence and continued survival of an extreme right-wing party, the MSI, which throughout the postwar period has been a parliamentary pariah, and whose policy towards the constitution and the political system has been clearly condemnatory. The significance of the sanitized neofascists within the system has been that they have guaranteed the exclusion of the PCI from government by reason of the threat of extreme right-wing reaction that they were imagined to control. This exerpt generally expresses the light in which right-wing politics was viewed during the immediate postwar period and the role of the MSI within the system.

Established links between the MSI and right-wing terrorists, and the party's sympathy with extreme rightist goals have held the MSI on Italy's political fringe. Nevertheless, the MSI remains Italy's fourth largest political party and as such an important part of the nation's political machinery.

The remaining minor Italian national parties include from left to right on the political spectrum, the Proletarian Democracy, the Radical Party, and the Italian Liberal Party (PRI). There are also several regional parties, of which only the South Tyrolese Popular Party (SUP) is significant.⁶

Though this account does not provide an exhaustive dilineation of Italy's political organizations and their respective platforms, it does depict the broad spectrum of divergent political activity and philoso-

phies which prevailed, particularly during the period leading up to Italy's age of terrorism. No party has mustered a majority vote since 1948. Therefore, these disparate political elements were forced into partnership, a scheme that produced inconsistent policies and was generally unworkable.

Formal politics in Italy since the forming of the Republic has consisted of one coalition formula after another. Not since the 1948 election has there been a majority vote gained. It was then that the DC won an absolute majority of chamber seats as well as an absolute majority of elected seats in the Senate. The DC leadership, however, chose not to capitalize on the opportunity to form a one party government but instead opted for a coalition. It formed a center-right government comprised of four parties: The DC; PRI; PLI; and Saragat's right-wing socialist party, called the Socialist Party of Italian Workers (PSLI). This Center-Right rule lasted through 1953.

Through 1962, government was dominated by a centrist coalition comprised of the DC, PLI, PRI and Social Democrats. The economic policies of this government were responsible for the economic recovery of Italy after the country's devastation by World War II and period of fascist rule.

Italy was left shattered and destitute after World War II. The country found itself in a state of virtual economic ruin as a result of the devastating policies of the fascist government. The fascist government had pursued programs aimed at furthering nationalistic and imperalistic ambitions. It did not concern itself with either the problems of the depression years or the long-term economic difficulties

confronting Italy. Though some gains were realized in transportation and land reclamation, the effort to make Italy a world military power proved disastrous for the national economy. Italy also suffered tremendous damage from the war. Postwar estimates indicate that industrial damage was more than 20 percent and that obsolescence and wear and tear reduced industrial capacity even more. Industrial production in 1945 was only about 25 percent of what it had been in 1938, and agriculture production was reduced by about 40 percent over the same period. Damage to the transportation network, shipping, and vehicles was also severe. 7

Italy's recovery from these dire economic conditions exceeded even the most optomistic forecasts. Between 1950 and 1963, the economy's growth was amazingly stable. From 1958 through 1963 Italy's economy was the most rapid growing in Europe. The period was marked by aggressive economic policy which was supported by international financial aid including Marshall Plan assistance amounting to \$2.7 billion between 1949 and 1952.8 Due to a surplus of labor during this period, wages were kept low, permitting sizeable profits which were in turn successfully invested.

Italy at the time was especially handicapped by its lack of resources and need to import raw materials. This in conjunction with the fact that its industrial plants and equipment were terribly outdated critically increased the task of recovery. Inspite of the overwhelming odds posed by this situation, the country modernized its industrial base and found profitable markets for its industrial products. By 1956 Italy's steel industry was converted into one of the most modern and

efficient in the world. The chemical and petroleum industries as well as others followed suit in this successful modernization effort.

Another factor was Italy's membership in the European Economic Community (EEC). Through the EEC, Italy was able to facilitate a profitable and greatly needed export trade. The country's economy experienced a real boost from its EEC participation.

Italy's economic growth continued beyond 1963 but not at the rapid rate previously experienced. Inflation, two sharp recessions between 1963 and the early 1970's, rising unemployment and a marked reduction in investment daunted the growth rate. The sharp drop of the economic growth rate to 2.9 percent in 1964 from an average of over 6 percent in the preceding five years marked the end of annual increase in industrial investment and the start of a period of sharp increases in wages and associated labor costs. 9 The impact of the slowing economy would be far-reaching and sharply felt by Italian society.

One author states that today the era of the "economic min le" is frequently criticized as the unenlightened work of the centrist overnments which governed Italy from 1948 to 1962. 10 Unquestionable economic policies of the centrist government produced the "economic miracle." The Italian people wanted to rid themselves of all vestiges of the Mussolini era. They found the ways of America attractive and wanted to pursue a similar lifestyle. These mandates were clear to the centrists and they set about to achieve them. They pursued a course of rapid economic reconstruction and foreign trade which definitely yielded short term results. However, the short run benefits gave way to the long term consequences. The spawning of Italian terrorism was one of

those consequences.

Pisano expresses this phenomena well when he states that terrorism in Italy and in other industrialized societies is often explained as the product of psychological alienation resulting from rapid technological progress not accompanied by simultaneous development in parallel social structures and physical accommodations. He goes on to say that this theory is easily applicable to Italy in so far as Italy quickly passed from postwar reconstruction to the so-called economic miracle of the late 1950's and early 1960's. This process entailed mass imigration from southern to northern Italy, as well as from the rural provinces to the industrial cities, which were not equipped in the long run to absorb and to provide for the new population and changes in Italy. 11

Returning to political developments of the 1960's, the ruling coalition sought to broaden its government majority by inviting the Socialists to join as a center-left coalition member. Each side made concilliatory gestures to accommodate the other. The Socialists withdrew their long standing objection to Italy's membership in NATO and in turn the government nationalized all electric power plants.

This historic "opening to the left" was consummated in the 1963 elections and continued through the decade. However, it did not produce the expected or desired results. The move to nationalize power plants proved costly to both the consumer and the government. For their part, the Socialists appear to have learned how to exploit the national system during this coalition period. Also, their position in the coalition became more contradictory and divisive. It frequently opposed government positions even though the Socialists formed part of the parliamen-

tary majority and frequently the cabinet coalition. As one author explains, "Italian political life is cursed by the tendency of large parties to disintegrate and the need for endless combinations between politicians." 12 All this created even greater divisions and weaknesses within government which resulted in a general immobilization thorughout the decade.

Furlong states that the success of the postwar Italian Republic is that for over thirty years, with all its thirty-seven governments and twenty-four different kinds of coalitions, despite the obvious centrifugal elements within the political system, the government survived and managed to effect some integration of these elements. This may be true but government's ability to integrate had reached a low point and all but disintegrated during the 1960's.

A great deal of adversity stemmed from these political and socio-economic developments. In 1968, Italy experienced a "cultural revolution." It first took hold among its high school and university students. The students challenged the entire system but specifically sought changes within the educational systems to include choice of texts, group exams and guaranteed diplomas.

The worker population was also affected by the "cultural revolution." As earlier discussed, labor costs to this point were kept low. This and other labor matters were dramatically challenged during the autumn of 1969, often referred to as the "hot autumn." Labor activities which were previously moderate now turned rampantly violent. Labor unrest led to violent strikes, industrial sabotage and blatant criminal activity. Collective bargaining efforts were unsuccessful in

quelling the violence. Accusations have since been lodged against the labor unions claiming that they sacrificed long term considerations for short term gain through their radical activity.

The center-left government was ineffective in dealing with these problems and largely acquiesced through passage of legislation that is criticized for downgrading the educational system, lessening the severity of criminal laws and slanting labor relations too heavily in favor of labor unions.

These actions by the government laid the way for Italy's age of terrorism. Furlong addresses the emergence of left and right wing terrorism in Italy against this backdrop of events. He states that against the background of economic crisis and within an immobilist political system, political terrorism is associated with the threats and opportunities perceived by elements excluded from the political framework. The threat was, to the neo-fascists, that of the eventual entry of the PCI into the government following the failure of the already unacceptable centerleft coalitions in the period 1963-68. The opportunity was of course the possibility of imposing an authoritarian solution on a weak regime by coup d'etat. To the groups on the fringe of the extreme left, the threat was precisely that of the right-wing coup d'etat. A system rendered ineffective and consequently incapable of integrating fringe elements falls victim to the ravages of extremism.

In summation, the origins both of left and right-wing terrorism in Italy are interwined in the broad, complex scope of events that dominated the first twenty years of the Italian Republic. These events and issues

covered the spectrum of Italy's postwar government, politics and economy. The preconditions leading to the problem included an economic crisis which produced unemployment, especially among the younger age groups; political parties unable to agree on appropriate measures; a social fabric severely threatened by the industrial mobilization of the immediate postwar period and a political culture that supports radical expectations and gives legitimacy to the unsatisfied hopes and program of the postwar political reconstruction.

The terrorist activity which resulted from the turbulence of this era posed a terrorist threat to the country's stability never before confronted by Italy. The countermeasures which were developed by the Italian government to combat this massive problem will be the topic of the following chapter.

FOOTNOTES

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CHAPTER III

TERRORIST COUNTERMEASURES

Terrorism erupted in Italy on a vast scale during the late 1960's. However, it was not until the mid-1970's that the Italian government realized the gravity of the problem and set about in earnest to counter the burgeoning threat. This chapter will briefly address the Italian government's immobility between 1968 and 1975, and then describe in detail the subsequent measures employed to contain the menacing threat of Italian terrorism.

A series of weak, unstable governments followed the center-left governments of the 1963-1968 period. These governments were totally ineffective in dealing with the mounting terrorist problem. Both government officials and party chiefs were basically unresponsive to this prodigious societal threat. As Furlong explains "In this sense, just as the terrorists could be described as not having taken seriously the capacity of the political system to absorb and neutralize the effects of violent dissent, so the state may be described as having failed to take seriously the intentions of the terrorists to pursue to the bitter end their choice of clandestinity and terrorist violence." I Furlong goes on to suggest that the political value inherent in the terrorism of this period perhaps outweighed the need for control of what was perceived as a relatively minor if persistent threat to internal security. 2

This proved to be the case with the Christian Democratic Party who, through the mid-1970's, broadened its political base by adeptly manipulating the terrorist issue. The threat of coups d'etat from the

extreme right was used to rally the minor parties to the side of the DC, calling attention to the need for a unified government and further reinforcing the DC's centrality in the government. At the same time the DC found left-wing terrorism to be politically expedient by drawing links between ultra-leftists and the parties of the left, effectively placing the Socialists and the Italian Communist Party (P^{C}) on the defensive. Left-wing terrorists openly identified with Marxism and communism, so the task was not complex.

Other parties engaged equally in this type of political vying, each striving for a stronger position. Meanwhile, the government continually grew more impotent, especially in its ability to effectively confront the country's surging wave of terrorism.

Right-wing terrorism reigned during the late 1960's and into the early 1970's as was previously discussed. The ultra-rights engaged primarily in bombings. The bombings of the Banca Nazionelle de l'Argricultura in Milan on December 12, 1969; the Turin-Rome express train on April 3, 1973; the Piazza della Loggia in Brescia on May 24, 1974; and the Italicus Express on August 3, 1974 caused the deaths of more than 34 people and scores of injuries.³

In the face of this increasing threat to Italian society, the government sat virtually defenseless. Moving into the mid-seventies, however, events began to turn about as steps were taken to combat terrorism.

In 1973, following a number of bombing incidents, the Italian Social Movement (MSI) set out under the leadership of George Almirante to purge its ranks of ultra-rightists who had found their way into the

organization over the years. The party suffered seriously from its connections with right-wing terrorists and was understandably eager to rid itself of this paralyzing stigma. Almirante, in his efforts, even called for the death penalty for the crime of massacre, a direct affront to right-wing terrorists.

Almirante's purges were largely successful and dealt a severe blow to right-wing terrorism. Much of the support previously provided the extremist groups was brought to an abrupt halt. It should be noted at this point that right-wing terrorism of the period is a conglomeration of several elements, which are described below.

One element, of course, consists of extremists who gravitated - and in some cases continue to do so - to local party sections of the MSI or its youth movement. Until the death of its former Secretary-General, Arturo Michelini, on June 15, 1969, the MSI generally remained in the background. On occasion, however, following descreet behind-the-scene arrangements with the non-Communist parties, it would lend parliamentary support to certain governmental measures. Although some of the rhetoric of the defunct Fascist regime continued to be employed by the MSI, Michelini's staff was particularly careful in holding off rightist extremists and adventurers.⁴

Upon Michelini's death, Giorgio Almirante had become Secretary-General of the party. His energetic temperment and his dream of fathering a strong Right as an alternative to both the Christian Democratic and Communist platforms kept him from screening activists and supporters. Consequently, groups of the extra-parliamentary Right, such as Pino Rauti's New Order (Ordine Nuovo), which had previously been kept away

by Michelini's establishment, eased themselves into the MSI structure and activities. The timing was particularly harmful since it coincided with the disorders that grew out of the 1968-69 socio-political climate. In the absence of firm governmental policies, the extremist fringes of the Right interjected their own brand of violence, allegedly to contain the violence of the Left. Moreover, these rightist groups found Almirante's polemics against the Government a source of encouragement for their violent tendencies.⁵

A second element is comprised of various would-be clandestine groups with no apparent links to the MSI; they are given not only to political violence, but also to more serious acts of terrorism. These gruops include Phoenix, Mussolini Action Squads, Black Order, and Year Zero. They all seek the destruction of the political institutions in the belief that this will bring about an authoritarian regime of the Right.⁶

A final component of rightist extremism includes groups whose aim is to reconstitute the National Fascist Party, which was banned by the Republican Constitution of 1947 and subsequent statutes.

These elements have been responsible not only for spontanious and retaliatory attacks on individuals and offices belonging to the PCI or to organizations of the extra-parliamentary Left - frequently resulting in deaths and injuries - but have also resorted to the indiscriminate use of explosives. Therefore, the MSI has played prominently, but not exclusively, in the role of right-wing terrorism.

In January of 1975, the trial from the 1969 Milan bombing was postponed five years. It was now clear that the bombing was not part of

an anarchist plot as orginally reported by police officials. It was indeed a fascist bomb and evidence established official complicity in the murky affair. However, the evidence had been so manipulated that a clear view of what had actually occurred was no longer possible.

Because of the MSI connections with right-wing extremists and the emerging facts linking security and intelligence forces to the ultra rightists as revealed in the Milan bombing, the terrorist problem could no longer be ignored. As J. Bowyer Bell explains, "The events of 1975 had destroyed the various comforting myths about the nature of Italian political violence." Rising public sentiment called for reform measures, especially within the state's security service, the Defense Information Service (SID).

SID was established in 1965 as Italy's chief intelligence organization. Its responsibilities included intelligence collection, counterintelligence, and state security. After numerous allegations of corruption and complicity in right-wing extremist activities, SID's dissolution was demanded. In fact, these deviations called the entire state intelligence and security system into question.

An unprecedented sense of urgency developed within the government as a result of the rise to prominance of left-wing terrorism in the mid-70's. Under public pressure, the government set about to reorganize its security and intelligence services and strengthen its police forces. The government responded with the Intelligence Reform Act of 1977. The reform act resulted in a total disbanding and reorganization of the state's intelligence and internal security forces.

The reform law, No. 801 of October 1977, specifically called for

more stringent oversight by government and Parliament of security and intelligence services; separation of internal security and state intelligence services; a further separation of security and intelligence functions from judicial police functions; and new regulations governing state secrecy. A closer look at these reform measures follows.

Two committees were formed to act as oversight agencies, the Interministerial Committee on Intelligence Security (CIIS) and the Executive Committee for the Intelligence and Security Services (CESIS). These committees performed oversight duties for Government and Parliament respectively.

The CIIS is an advisory committee to the Prime Minister on general directives and objectives of intelligence and security policy. The Prime Minister chairs the committee and is responsible for intelligence and security policy as well as supervision of the intelligence and security services. The CESIS is a parliamentary committee comprised of four deputies and four senators. The prime function of the committee is to monitor the implementation of established laws pertaining to intelligence and security activities. The CESIS can also act in an advisory capacity to Parliament.

Regarding the separation of intelligence and security functions, two new services were established to replace the now dissolved SID. The newly formed organizations were the Service for Intelligence and Military Security (SISMI) and the Service for Intelligence and Democratic Security (SISDE).

SISMI is subordinate to the Minister of Defense and is assigned all intelligence and security functions pertaining to Italian military

defense. It also carries out counterespionage duties. SISDE is responsible for all intelligence and security functions in defense of the Italian state. SISDE is subordinate to the Minister of Interior who supervises all state security and intelligence activities in keeping with directives published by the Prime Minister.

Personnel of CESIS, SISMI and SISDE include not only civilian and military employees who are transferred by consent, but also those hired directly. CESIS, SISMI, and SISDE may not, however, employ either permanently or occasionally, members of Parliament; regional, provincial, or municipal councilors; magistrates; clergymen; or professional journalists.⁹

In separating judicial police functions, the reform law states that assignment with CESIS, SISMI or SISDE is not considered compatible with concurrent status as a police officer. Therefore, when a police member serves with any of these organizations, his status with his police organization is suspended. The law further required full-exchange of pertinent information between the police, and the security and intelligence services. Each organization is obliged by law to fully cooperate in this effort.

Finally, the law regulates the matter of state secrecy. The law imposes the designation "state secret" on acts, documents, information, activities, and other matters whose disclosure is capable of damaging the State and its international agreements. The law excludes from the "state secret" those events directed at subverting constitutional order. 10

Although designed to restore the State's intelligence and internal

security apparatus, the reform resulted in problems endemic to the newly established system, many of which proved non-productive in confronting the terrorist threat as will be seen shortly.

The scandal involving the old security services also brought about demand for greater access to government files. Therefore, easier access was granted. This new advantage was quickly seized upon by trial counsels for terrorist members. Magistrates were forced to provide documents previously denied these defense lawyers. As a result the identities of many informers were divulged which led to their assault or murder. Police sources quickly dried up resulting in a renewed surge of terrorist activity.

In addition, the purging and reorganizing of the security services stripped it of many of its most skilled and experienced personnel. The ranks were so drastically pared that by 1979 SISDE and SISME were only 70 percent and 50 percent, respectively, of their authorized strength. 11 Finding a Director for SISMI proved a real problem. The post remained vacant for nearly a year, leaving the organization without needed leadership.

Further bureaucratic problems developed when the military's antisubversive mission at home was charged exclusively to SISDE. Similar tension resulted when the police developed their own intelligence organization at about the same time, the Central Bureau for General Investigations and Special Operations (UCIOGOS), which was set up under the Ministry of Interior.

As earlier discussed, the reform law disallowed certain categories of persons from permanent or temporary employment by the Italian secur-

ity and intelligence services. Prohibition of the operational employment of these sources downgraded intelligence collection.

So, in spite of the government's concerted effort to revamp, reorganize, and strengthen its security and intelligence services, the new measures produced chaotic results within the state's security and intelligence services at a time when Italy most needed these agencies. Dobson and Payne state that during the decade of the 1970's, there were 9,361 terrorist attacks, 116 people were killed, and 355 were wounded, and yet the rate of arrest and imprisonment of those responsible was remarkably low. There can be no doubt that a major factor in this situation was the total disorganization of the intelligence service. 12

Events of 1978 marked a cornerstone in Italy's battle against terrorism. The kidnap and murder of Aldo Moro in that year showed the power of the Red Brigade and the impotence of the security and police forces. 13 The event created a tremendous impetus within government for a stronger, more aggressive policy in terrorist countermeausres.

Prime Minister Andreotti called the CIIS into session. The session produced the first steps in bringing together three traditionally rival police forces: the Public Security Guard (GPS), the Carabinieri, and the Finance Guards (GE). The GPS, with a 50,000 man force, falls under the Ministry of Interior and was originally composed of urban police. The Carabinieri falls under the Ministry of Defense and has a strength of approximately 85,000. The GL, whose main task was to deal with currency and smuggling offenses, falls under the Ministry of Finance and numbers about 42,000. 16

All three organizations have jurisdiction throughout the national

territory. The GE often were found along the borders, at airports, and in arban areas because of the nature of their duties. The Carabinieri policed all sparsely populated parts of the country but had contingents in all towns and cities as well. The GPS predominated in urban areas, but mobile units could be sent wherever they were needed. With the rivalry that existed between these agencies, communication and coordination were typically poor. Each had a role in countering terrorism and jealously guarded it.

However, on 10 August 1978, Carlo Dalla Chiesa was appointed coordinator of anti-terrorist operations and tasked with forming a special anti-terrorist group comprised of select members of the above agencies and the secret service. Chiesa, who was general of the Carabinieri at the time of his appointment, would report only to the Minister of the Interior and the Prime Minister in this new capacity. He was armed with wide-sweeping powers, an undisclosed budget and, for the most part, total independence in pursuing his counterterrorist objectives. As one author states, "Chiesa was empowered to slash through the red tape that had been entangling Italy's three competing police forces." 18

Chiesa experienced almost immediate success in his daring battle against terrorism. Beginning with a 50-man force that grew to 150, he practiced tried and true methods of police work which he had honed over his many years in law enforcement. He developed a high security prison system which greatly reduced the number of successful prison breaks by terrorists. Within the prisons, he developed a very efficient informant system which provided invaluable information. Chiesa even used under-

world contacts. He tirelessly studied dossiers of terrorist figures and intently reviewed terrorist literature noting every fact and finding which may better enable him to understand and predict terrorist thinking and behavior.

Chiesa's unrelenting efforts proved productive and the terrorist threat began to abate. His success was evidenced when all major parties, who rarely agree on any given matter, supported his re-appointment in August 1979. The Government and Parliament joined their efforts by passage of strict legislation aimed at better arming Chiesa's counterterrorist campaign.

The Reale Law was passed in 1975 and amended in 1977 and 1978. The main thrust of the law was against evivals of the Fascist Party, but its provisions applied to all forms of clandestine violence against the state. The law made sentences for terrorist crimes much more severe, placed restrictions on bail, and gave the security forces powers to search and arrest on suspicion, without a formal warrant, and allowed suspects to be held for forty-eight hours. The law also gave the police more freedom to use firearms. It did not grant the most contentious demand of security forces, the right to interrogate without the presence of the defense lawyer.

Finally, after the Moro kidnapping, a decree of March 21, 1978 granted the long-held wish of the security forces to be able to interrogate legally in the absence of a defense lawyer. The same decree, which passed into law with some amendments on May 18, 1978, also increased the sentences for kidnapping and made telephone tapping easier for the security forces. 19 The killing of policemen, judges,

lawyers, and union leaders was to be punished by life sentences, to be enforced to the letter. Terrorists who wounded people in their raids would automatically get double the normal sentence. Even suspected terrorists were automatically refused bail, and abetting terrorism also became a crime. In addition, any person starting a new bank account with more than \$20,000, would have to provide proof of identity, which makes it easier for the police to investigate how they had obtained the money in the first place.²⁰ The Freedom of Information Act was also amended to prevent irresponsible dissemination of information.

In 1980 an Informer's Bill was passed, empowering the government to halve the sentences of those convicted of terrorism if they cooperated with the police by proving information. This law led to "pentito" (penitent). Pentito legislation rewards any terrorist who renounces his association with politically violent groups, assists police investigations, and contributes to the disruption of the terrorist network. Jail sentences are usually reduced by two-thirds. 22

All of these measures were developed to combat both left and right wing terrorism, however, left wing terrorism had risen to dominance during the mid-1970's. As Pisano states, "The terrorist component of the left is manifestly the most menacing and has been treated as such by the Ministry of the Interior since October of 1978, when the Minister's report to Parliament indicated that out of 147 separate groups that had claimed responsibility for terrorist violence 135 belonged to the extra-parliamentary left."23

However, by the end of 1980 it appeared that the strength of leftwing terrorist groups had been greatly reduced by General Chiesa's operations, and by the re-organization of security forces. By the summer of 1980, nearly a thousand terrorist were in prison.²⁴ Italy's war against terrorism was and is not over, but the machinery to effectively counter the terrorist threat was firmly emplaced and growing stronger.

To summarize, the right-wing threat subsided in the early to mid-1970's due to a significant loss of support suffered from the purging of the MSI and the security services, and the rise of left-wing extremism during the same period. Left-wing terrorism proved more sophisticated and capable. Its origin was in part due to the rightist threat which prompted leftist reaction and over-powering retaliation.

Leftist decline occurred as a result of regrouped security forces, especially Chiesa's anti-terrorist force, strong anti-terrorist legis-lation, as cited, and loss of popular support. Referring to the Red Brigades, an author described their actions in the past few years as having provoked heavy criticism where earlier in their career they would have received praise. Their appeal wore off as their crimes appeared less actions of freedom fighters than those of mere criminals. 25

Nevertheless, as the head of the Carabinieri said, "Terrorism can still strike hard. They always have the initiative and they need only a group of four or five." This point is well demonstrated by the 2 August 1980 right-wing attack on the Bologna train station and the leftist kidnapping of Brigadier General Dozier.

Though acts of terrorist violence continue through the present, the period of 1980-81 marks a significant decline in terrorist inci-

dents. Terrorist acts in 1980 and 1981 numbered 1275 and 862 respectively, down from 1498 in 1978.²⁷ The measures undertaken to strengthen Italy's security services as described in this chapter has systematically reduced the threat. The change in public sentiment largely brought about by the Moro murder facilitated the government's ability to successfully develop and enforce rigid legislation to counter the terrorist problem. The next chapter will provide an explicit view of the specific indications and warnings which in retrospect foretold of the rise of Italian terrorism. These conditions will be examined up through the present.

FOOTNOTES

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CHAPTER IV

INDICATIONS AND WARNING: A HISTORICAL ANALYSIS

The origins of Italian terrorism and the measures engaged to contain this melee of violence have been examined. A view of specific indications or events foretelling of its violent birth will be presented with the thought that we may gauge in part the future by a look at the past.

The "J" curve theory of James C. Davies will be applied to developments leading up to the terrorist outbreak during the late 1960's. Events of the 1970's and early 1980's will then be viewed in light of a set of indications and warning created by Dr. Rudolf Levy in a further attempt to understand and analyze the Italian terrorist phenomena.

Davies' model deals with the incipience of societal revolution.

Terrorism is a form of revolutionary activity and therefore may be equated to revolution in this chapter.

Davies' thesis simply stated presupposes that revolution is most likely to occur when a long period of rising expectations and gratifications (socioeconomic or otherwise) suddenly drop off while expectations (socioeconomic or otherwise) continue to rise. The rapidly widening gap between expectations and gratifications portends revolution. The most common case for this widening gap of individual dissatisfactions is economic or social dislocation that makes the affected individual generally tense or frustrated. That is, the greatest portion of people who join a revolution are preoccupied with tensions related to the failure to gratify the physical (economic) needs and the needs for stable interpersonal (social) relationships. Davies' model is de-

picted in Figure 1.

The "J" curve is a model designed in broad measure to gauge the mood of a given society at a relative in its history. It attempts to analyze events in an effort to identify that time and place where frustration overtakes gratification in a society's guest to satisfy the expectations of its people. When the level of frustration caused by the disparity between expectations and actual gratification reaches an intolerable level then revolutionary activity results. This social measuring technique is imperfect as are all such models. It is, however, useful in establishing indications and warning in a predictive effort.

The history of the Republic of Italy will be examined in terms of applying certain events to the Davies model. With the inception of Italy's Republic, its people looked with optimism to a brighter, better future. The population looked particularly to an improved life style, one similar in standard to that of the United States. The basis for this dream could be found only in a sound, vibrant economy and a stable government capable of forming such an economy. The Italians sought this, and security, in the new republic.

The process toward economic recovery began in the late 1940's when Luigi Einaudi became governor of the Bank of Italy and budget minister. This provides the initial plot of the J-curve applied to the Republic (Figure 2). Through a series of fiscal constraining measures designed to tighten credit, he categorically reduced rampant inflationary trends and strengthened the Lira. This feat, combined with massive financial grants from abroad, served to relieve the terribly weakened

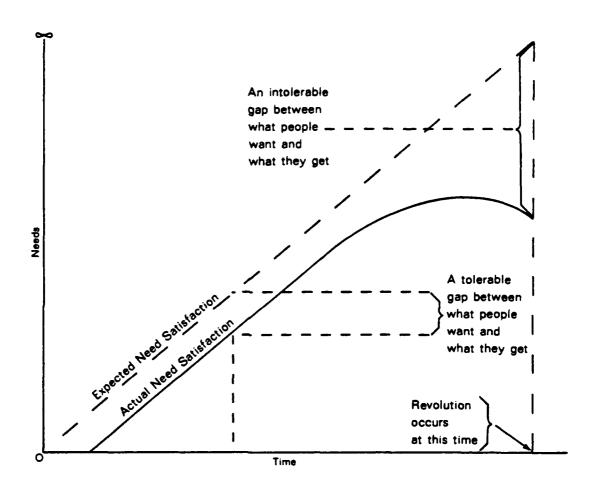


Figure 1 - Davies "J" Curve

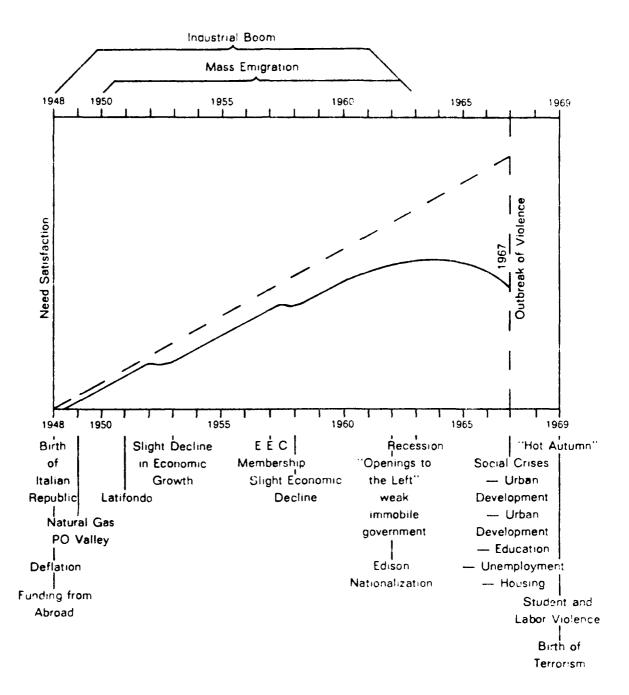


Figure 2 - Italian Events and the "J" Curve

economy and set the stage for economic recovery.

During the Fascist regime, 1925 - 1944, Italy suffered immeasurably from Mussolini's dogged persistence in policies of economic self-sufficiency, which proved not only impractical but essentially impossible as discussed in Chapter II. Free international exchange was now actively pursued and would lead to national prosperity. Alcite de Gasperi, who served as Italy's Prime Minister from the Republic's beginning through 1953, moved Italy ever closer to the Atlantic community, favoring a common market for Europe.

Looking back at the early years of the Republic, however, Italy's society was basically agricultural. Parts of the agricultural South were so poverty-stricken that some people lived in caves.² Extensive slum conditions existed in the country's urban centers. Social welfare problems were mounting. This growing social plight required urgent attention.

In an attempt to mitigate the hardships and plight of the poor, DeGasperia launched a bold agrarian reform program known as latifondo.³ The program was established in the early 1950's. Nearly 2 million acres of noncultivated land was compulsorily acquired and distributed to create a larger class of smallholders.⁴ The measure did help produce relief for many of Italy's impoverished. In this era, the curve reflects a rise in both perceived and actual needs. Additional welfare and social security measures were introduced, motivated primarily by the DC's quest for mass support, but nevertheless results were favorable to an improved Italian livelihood.

Hopes for a stronger economy were fuelled immensely by the discov-

ery of natural gas in the Po Valley during the late 1940's. This discovery may be the single most important factor in the immediate postwar economic recovery. By 1953, the discoveries resulted in two billion cubic meters of natural gas a year, and by 1962 the figure had risen to nearly seven billion cubic meters. Enrico Matei, the man responsible for the discovery of Itlay's gas reserves, built the state corporation into an economic empire which sprouted industries in textiles, chemicals, cement, tourism and nuclear energy. At this point in 1953, however, we see the first decline in the J-curve. This was caused by a slight decline in economic growth. It should be noted that this decline as well as that in 1958 still produced just under a 5 percent growth rate.

As discussed in an earlier chapter, industry burgeoned in the postwar period, sustaining a flourishing economy for fifteen years. New industrial processes had not been introduced to Italy due to Mussolini's fanatic nationalist policies which shunned foreign expertise. Exploitation of these new industrial means joined with the availability of vast reservoirs of cheap labor gave birth to an industrial boom. A long tradition of Italian craftsmanship was patently applied by industrial firms such as Fiat and Pirelli, rapidly drawing Italy into the international marketplace.

Italy's membership in the EEC provided a profitable outlet for exports of the country's industrial products and of course provided an equally sound means for the import of materials required to feed the nation's industries. Here we see the curve sustained in its upward movement.

Throughout this industrial and economic growth period, the South remained poor. Some growth and improvements occurred but not nearly at a rate equal to that of the North. The South, consisting of the mainland area south of Rome and the islands of Sardinia and Sicily, had few resources and little free capital. Overpopulation, a high birth rate, poor educational facilities, archaic agricultural techniques, and a primitive land tenure system, all helped to keep this large area backward, and in so doing delayed national economic unification. The bigger industries remained firmly in the much richer North, Fiat at Turin, Italsider and Ansaldo at Genoa, Olivetti in Ivrea, and at Milan the giants Pirelli, Edison, Montecatini, and Snia Viscosa.⁷

Governments of Italy had traditionally been run primarily by northerners. As a result of government policy, the South was overtaxed and underinvested by these northerners who identified with their region's interests. The regional prejudice resulted in a continued advantage for northern development, and disadvantage for the underdeveloped South. The new Republic set about to change this historic imbalance but with little success. Programs to encourage industrial activity in the South and development projects of various magnitude were ventured, but the economic disparity between the North and the South persisted. Power laid heavily in favor of the North, leaving the South depressed. (A depressed, underdeveloped South ensured a continued source of cheap labor for northern industry.)

As a result of these conditions, a massive emigration along the south-north axis occurred during the 1950's and early 1960's. Estimates place the number of those who emigrated close to two million.⁸ The

vast flight from the land to the cities is evidenced by statistics which show that in 1950 more than two in five of the working population were engaged in agriculture, but less than one in five, twenty years later. A plethora of social problems stemmed from this mass exodus. Vexed by crises in housing, schooling, urban development, and the fallout from the social imcompatibilities of northerners and southerners, the social system teetered on collapse. This mounting social crisis contributed significantly to the gap which developed in the J-curve.

Political events of the period aggravated the situation. An alliance between the DC and the PSI was formed officially in 1963 when Prime Minister Moro formed his administration with the PSI party chief, Nenni, as his deputy prime minister. This became known as the historic "opening to left," as earlier described. This political indication is reflected on our curve as it is reaching a peak, suggesting a pivotal time for the country to react to the potential for shifting towards an increasing gap.

The first concilliatory gesture on the part of the DC was to allow the nationalization of Edison, Italy's electricity company. An agreement to introduce withholding taxes on share dividends and speculation in real estate was included in this shift in policy. The government also agreed that atomic power should be a public, not private, project.

These innovations met with stiff resistance from big industry. The prospect of higher taxes and tightened state controls prompted Italy's wealthy to smuggle their wealth out of the country and into Switzerland. This major flight of capital contributed significantly to

the recession of 1963. The Catholic Church also resisted these measures. The 1963-1964 period begins the downward sweep of the J-curve as these events produce growing frustration within society.

The recession of 1963 was due to several factors. The flight of capital was only one. Successively weak governments which had no firm, consistent economic policy was another factor. Coalition politics had created disunity on economic as well as other governmental matters, so no coherent economic program could be sustained. Also, by the late 1950's, unemployment had declined significantly, creating a shortage in skilled labor. This led to increases in wages which caused industrial costs to rise faster than production profits. Collectively, these events caused a sharp downturn in the nation's economy and frustrated the people.

The political fallout from the recession forced the government to curtail much of its reform activity. This created divisions within the government and caused dissent among the Socialist coalition partners, further weakening the government. The very measures designed to form a closer DC-Socialist alliance had in fact driven a wedge into it.

From this point forward nothing of substance would be achieved by the center-left government of 1963-1968. Moro's first cabinet fell in 1964 over a school reform issue. ¹⁰ In 1966, his second cabinet fell over another school related issue. ¹¹ The center-left coalition was plagued by its inability to deal effectively with the country's broad based problems. At this point we see an even greater gap developing.

Throughout the Republic's first twenty years, the standard of living for the Italian people had been greatly improved in spite of this downturn. By 1964, the average income had risen perhaps twice as much in fifteen years as it had over the previous century; one index of greater affluence was that the number of television sets had doubled in four years to seven million, and the ratio of telephones to the population of Milan was greater than in London. 12 The curve reaches a peak at this point and then begins its downward trend.

Industry was revolutionized. Automobile production in 1938 had been 38,000 units, but topped 100,070 in 1953, 500,000 in 1960, a million in 1963, and reached over a million and a half by 1967.13 Other industries had shown similar growth rates.

In spite of this growth, plans to expand and vitalize the South never truly materialized. Talk of such development came to be viewed by the people as so much political rhetoric. Disillusionment grew and emigration to the North continued. Italy needed urban development, tax reform, modernization of its universities, overhaul of the corrupt civil service system, and a viable social security system.

Coalitions continually changed but the DC remained the central partner in government. As a result, it permeated the ministry system and allowed the continued influence of vested interests over successive administrations. This created a corrupt, distorted policy which further destabilized the system, caused dissent, and increased disillusionment among the country's populace.

Spiraling problems within Italy's government and society culminated in the 1960's, erupting into violent social unrest. Wanton violence would first take hold with the students and then involve labor.

Student unrest had its origin at the institute at Trento. Through-

out 1967, the institute at Trento produced a never-ending stream of processions, demonstrations, and political meetings. 14 Violent confrontations quickly developed between students and the police.

The university and education system was considered archaic. The rapid expansion of higher education from the mid-60's onwards meant that a university degree was no longer an automatic passport to a middle class occupation. Consequently, violence ensued. It was the student activism in 1967 that brought on "the awakening of the workers 16 and the "Hot Autumn" of 1969. A series of factory clashes resulted in a climate where traditional trade union leadership risked losing control over the rank and file. In many cases, they actually did lose it. 17 On the curve, the gap continued to increase.

Renalto Curcio, founder of the BR, was originally a member of the Metropolitan Political Collective (CPM). This and other radical organizations were products of the labor discontent of the late 1960's. The organizations, comprised of militant workers and some student leaders, no longer felt adequately represented by union leaders. As a result, in late 1969, they formed their own splinter organizations. It was then that the Red Brigade was formed.

Italy was beset with many social ills. Failure to reform the universities led to student insurrections. Corruption ran rampant within the public services. Strikes in virtually every sector of society beleaguered the country. The economy was headed for a second recession as unemployment grew. The gap between rising needs and need satisfaction had reached an intolerable proportion. At this point, violence erupts and crests during the autumn of 1969 as reflected in

Figure 2.

Events of the 1970's and 1980's do not support the gap we saw develop when we applied the J-curve to events of the late 1960's. Significant events subsequent to the 1960's will be described and viewed using a set of general indicators developed by Dr. Rudolf Levy, a recognized authority in the study of terrorism. Dr. Levy's indicators are independent of the v-curve but yet an integral device in measuring society's susceptibility to revolutionary/terrorist activity. Selected indicators will be drawn from Dr. Levy's general indicator list and applied specifically to Italian events. We will see that much of the turbulence and frustration which resulted from the 1960's was ameliorated through later developments. With the undercurrent of discontent subsiding, support for the violent alternative of terrorism also diminished.

Moving into the 70's, two decades of continuous economic growth were drawing to an end. External markets that had been a major stimulus to this growth were changing their character. Now foreign competition and growing protectionism started to challenge Italian sales expansion. At the same time world prices of materials and foodstuffs, upon which Italy was increasingly dependent, began to rise steadily, bringing about a slow deterioration in Italy's terms of trade. 18

For most of the 1970's, the economy on the whole suffered high rates of inflation, major balance of payments problems, consequent severe devluation of the Lira, and low rates of real economic growth. The economic history of the decade was one of stop and $go.^{19}$ Table 1 illustrates this pattern.

TABLE 1

ANNUAL CHANGES IN REAL GNP IN ITALY, 1960-79

Year	Percentage Change Over Previous Year	Year	Percentage Change Over Previous Year
1960		1970	+5.0
1961	+8.2	1971	+1.6
1962	+6.2	1972	+3.1
1963	+5.6	1973	+6.9
1964	+2.6	1974	+3.7
1965	+3.2	1975	-3.9
1966	+5.8	1976	+5.5
1967	+7.0	1977	+2.1
1968	+6.3	1978	+3.0
1969	+5.7	1979	+5.6

Sources: Commercial Office of the Italian Embassy, Washington, D.C., Italy, An Economic Profile, 1978, p. 1; Italy, An Economic Profile, 1979, p.1.

Two principal events contributed to Italy's high rate of inflation during the 1970's and early 1980's. First was the increase in world market prices of raw materials and foodstuffs. As was earlier discussed, Italy is heavily dependent on imports. A rise in costs in this area was reflected in higher consumer prices. A second contributing factor was higher production costs. The hot autumn resulted in significant wage increases for Italy's labor force as well as costly benefits packages. The cost of these programs were passed to the consumer, driving product prices even higher. Table 2 illustrates consumer price increases throughout the 1970's.

During the summer of 1970, the United States imposed a 10 percent surtax on imports. This protectionist measure further frustrated Italy's economy. Italy already had felt pressure to reduce exports to the United States under threat of having import quotas imposed. This development in conjunction with the international competition emerging in traditional areas of Italian trade such as automobiles, shoes, and clothing served to further stifle the country's economy. Exports became more competitive but imports became more expensive, raising prices.

In 1972, in an attempt to offset this economic downturn, the government began to provide subsidies for Italian businesses. By the close of 1972 and the beginning of 1973 businesses began to revive. 20 These economic gains were abrubtly interrupted as a result of the October 1973 Yom Kippur War between Israel and its Arab neighbors. The OPEC oil embarge, which followed, set the Italian economy back once again.

Year 1970 1971 1972 1973 1974 1975 1976 1977 1978 1979 Percentage +5.0 +4.8 +5.7 +10.8 +19.1 +17.0 +16.8 +17.0 +12.1 +19.0 Sources: Commercial Office of the Italian Embassy, Washington, D.C., Italy, An Economic Profil	tage +5.0 +4.8 +5.7 +10.8 +19.1 +17.0 +16.8 ources: Commercial Office of the Italian Embassy, Washington, D.C., and Italy An Economic Profile 1978 of 3: Italy An Economic	tage +5.0 +4.8 +5.7 +10.8 +19.1 +17.0 +16.8 ources: Commercial Office of the Italian Embassy, Washington, D.C., p.3: and Italy, An Economic Profile, 1978, p. 2: Italy, An Economic											
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TABLE 3	Ita	aly's Bal	ance of P	ayments o	n the Int	Italy's Balance of Payments on the International Market, 1970-79	l Market,	1970-79		
Year	1970	1971	1970 1971 1972 1973	1973	1974	1975	1976	1977	1978	1979
Overall balance ^a	+356	#783	-1,281	-356	-5,518	-1,281 -356 -5,518 -2,055 -1,235 +1,960 +8,24± +2,195	-1,235	+1,960	+8,24±	+2,195

ain millions of dollars.

Sources: Commercial Office of the Italian Embassy, Washington, D.C., Italy, An Ecnomic Profile, 1975, p. 5; Italy, An Economic Profile, 1978, p. 5; Italy, An Economic Profile, 1979, p. 5.

There were, however, developments which helped offset these bleak economic conditions. First is the matter of Italy's underground economy. It has been estimated that Italy's shadow economy accounts for 20% of the country's Gross National Product (GNP). 21 As such, it is rightfully described by one authority as vibrant.²² Another account calls the diversity of underground labor inexhaustibly rich. Some examples of the underground economy include companies which sublet their premises during the night. Other companies give an employee early retirement and a severance bonus consisting of a machine. The former employee then becomes a subcontractor working at home for the same employer.²³ There are many other areas and means by which the underground economy operates. This underground economy has played a significant rule in keeping Italy's economy afloat, especially through the economic difficulties of the 1970's. As explained by Franco Cavallari, an adviser to the Minister of Finance, "The underground economy eases the pressures on the employment market and permits us to achieve the expansion that is vital to the economy". 24 The underground economy is estimated to encompass 2.5 million fulltime jobs and 5 to 6 million parttime jobs.²⁵

Trade union agreements which resulted after 1969 served to vastly improve the condition of Italy's labor force. Per these agreements, a system of wage indexing was instituted. The law was designed to keep workers purchasing power more or less constant, but the additional effect has been wage increases that have outrun the price index and have tended to make inflation self-perpetuating. In 1970, the first year under the new labor agreements, industrial wages rose 18.3 per-

cent. In 1971 and 1972 they increased further, by 9.8 percent and 9.0 percent respectively. 26 Through the Labor Relations Act of 1970, workers were also given almost complete protection from employer control. The law laid the burden of proof on the employer for firing or layoffs. 27 These gains constituted clear victories for labor.

The trade unions also extended their activity into areas of social reform inlouding health, education, housing, social security and transportation. In the early 1970's, the trade unions became the institutional force judged as best capable of carrying out national reforms through the planning of jobs, investments, and social services. Exercising their influence through labor strikes the trade unions obtained an agreement in October 1970 from the Italian cabinet to establish one national health service in palce of a number of separate health programs, to build more public housing, to improve public transportation, to expand the school system, and to raise old-age pensions. 29

Also, during the 1970's small industry began to flourish while heavy industry declined. Specialty production in the areas of high fashion, sophisticated chemical and advanced mechanical products caused small industries to rise. This shift was transferring people from the large urban centers to the smaller cities and towns. From 1975 forward in nine of the ten largest Italian cities there was more out migration than in migration.³⁰ This exodus helped ease the pressures on the major urban centers caused by the massive influx of the 1950's and 1960's.

As a result of these developments, Italians enjoyed a better standard of living than ever before. However, this did not come without cost. The labor reform measures, as discussed earlier, proved costly to the country as did the social reforms which the trade unions had forced the government to undertake. The underground economy served the country's populace but denied the government tremendous amounts of badly needed revenue. All of this heavily tasked the national economy.

The Arab oil producers ended the oil embargo for their customer nations in December of 1975 but not before forcing a fourfold increase in oil prices. This hike hit the country's producers of petroleum by-products but Italy's auto industry suffered greater damage.

Inflation had jumped to over 20 percent during the oil embargo.³¹ The government took measures to bring this critical problem into control through a belt-tightening effort. It imposed limits on bank lending while interest rates were raised. During the summer of 1974, the government increased taxes and developed measures to make tax collection more equitable and effective. Government grants were also sharply cut back. Additionally, a move to reduce imports was made in this effort to strengthen the economy.

These actions did result in a decline in inflation by the end of 1974 as well as a drop in the deficit of the country's balance of payments in 1975 (Table 3). This conservatism was short-lived, however, and in the summer of 1975 a large spending package was adopted; interest rates were reduced; and money supply was expanded. This reverse in policy occurred as a result of large Communist gains in the regional elections of 1975. Feeling alarmed, the government returned to old spending practices in its stop and go program.

Through 1976 the Lira depreciated about 20 percent. This served to revive the belt tightening measures described earlier. It must be

noted, however, that in spite of these economic ups and downs and shifts in policy, the worker remained protected by trade union agreements and wage indexing. Between 1970 and 1976 real wages in industry rose 41 percent, while real gross domestic product grew less than 19 percent. The wage share of net national income grew from 59.5 percent in 1970 to 69.7 percent in 1976.³² Through this period, the ranks of the trade unions swelled. The CGIL alone grew from 2.63 million members in 1969 to 3.44 million members by 1973.³³

As a result of Italy's deflationary measures in 1976 and 1977, economic growth began once again. In 1978, inflation was reduced to 12 percent and unemployment was on the decline. This trend continued through 1981.

The decade of the 1970's had been a decade of stop-and-go, of floating, or of laissez-faire tempered by public subsidies. On the whole, the decade had been a moderate economic success.³⁴ In spite of the inflation imported from abroad and aggravated at home, most Italians were better off at the end of the ten years than at the beginning.³⁵

Into the 1980's, Italy's economy continued to vacillate. While most Western economies were slowing in 1979, Italy's economy was expanding. Italy enjoyed a 5 percent GNP growth in 1979, 4 percent in 1980 and even 0.1 percent in the 1981 depression. In 1982 the economy began its downward course (0.3 percent decline in GNP) and picked up steam on its downward course in 1983 (contracting 3.6 percent). By 1983, unemployment had also increased to 12.1 percent of the work force. In 1981 and 1982 inflation had reached 18.7 percent and

16.3 percent respectively.³⁶ These developments brought about a renewed call for austerity programs in familiar fashion of the previous decade. Recent statistics reveal some improvement in the economy. An annual inflation rate of 9.8 percent was registered in October of 1984 and marks the lowest annual rate of inflation since 1973.³⁷ The Center for International Business Cycle Research at Columbia University Business School in 1984 reflected an annual growth rate of 7 percent for Italy.³⁸ Estimates for 1985 place Italy's Gross Domestic Product (GDP) growth at 2.5 percent and the country's inflation at 8 percent.³⁹ All of which indicates that the government's efforts have met with some success.

Politically, the system muddled through. As of 1 March 1985, Italy was in its 44th post World War II government. No legislature since 1968 completed its full five-year term of office. 40 Between 1970 and 1984, governments changed twenty-two times. Most governments were either minority governments, caretaker governments between changes in government, or truce governments. Even the occassional majority governments rarely accomplished more than the others. The period did, however, produce significant legislation. The Labor Law of 1970, the Divorce Law of 1970, the reduction of the voting age for the election of the Chamber of Deputies in 1974, the Abortion Law of 1978, legislation limiting wage indexing in 1984, and several security laws of which the Reale Law and Intelligence Reform Act of 1977, earlier discussed, are best known.

The Labor Relations Act of 1970 was addressed earlier in this chapter. 1970 legislation also produced the Divorce Law which was an

indirect result of the radicalism of the late 1960's. The student movement and activity of the extra-parliamentary groups fostered liberal thinking. This atmosphere helped produce the Divorce Law. The Divorce Law was hotly contested by the Catholic Church but to no avail. Public opinion favoring the law prevailed. The Divorce Law became a reality on 18 December 1970, bringing provision for civil divorce to Italian society.

In 1974, legislation was passed lowering the minimum voting age in elections of the Chamber of Deputies and for regional and local governments, from 21 years to 18 years. This move resulted in over 5 million additional voters. 41

In 1978, a very liberal abortion law was passed. Like so much of the legislation of the 1970's, this bill reflected the changing mood of Italian society and government's submission to the people's will. The Abortion Law liberalized policy almost to the point of abortion on demand.

Social change through the 1970's was not forestalled. Birth rates declined through the decade. Marriages dropped steadily. Polls revealed that throughout Italy people placed a higher value on cleanliness in the home, on indoor plumbing, on refrigerators and washing machines, and on healthful diets. Regional variations in behavior and value were declining as a trend toward national homogenization of behavior among the youth began. This was in good part due to increased school attendance. In 1978, 92.1 percent of the 13 and 14 year-olds were attending the lower secondary schools, up from 55.7 percent in 1972.43 Adult education was also strongly promoted. Under the Labor Law of

1970, provision was made granting workers the right to obtain schooling and specialized training with pay. The regional governments also sponsored adult education programs. Women's place in traditional Italian society was also evolving as a part of the social changes. They grew to compose 32.4 percent of the labor force by 1978, up from 26.8 percent in 1972.44 Additionally, women began to appear in heavy industry and in other jobs traditionally held by men.

At this point, I would like to refer to Dr. Levy's general indicators list. Dr. Levy identifies four categories of indicators: social; political; law enforcement; and economic. Key events and developments of the 1970's and 1980's will now be viewed in light of Dr. Levy's indicators. Social indicators listed by Dr. Levy include: poor living conditions; high illiteracy and poor education programs; disrespect of civil laws; and a poor citizen-government-police relations.

Living standards had improved significantly for Italians during the 1970's as earlier discussed. Mass acquisitions of refrigerators, washing machines; and modern kitchens and bathrooms came quickly after the diffusion of electric power networks throughout the country. By 1979 there was also one automobile for every 3.4 inhabitants of the nation, plus 5 million motorcycles and motorbikes. Increased longevity of the population was a direct result of the improved living conditions of the Italian people. In the late 1970's the average age at death for males was over 70 years, for females 76 years. 46

Education increased during this era also. In 1967 only 19.6 percent of 19 year olds had graduated from an upper secondary school. By 1978, the figure was 41.6 percent.47 As a result of the student

unrest of the late 1960's, open admission policies to universities were instituted resulting in greater educational opportunities for larger segments of the student population. Beginning with the academic year 1973-74 the regional governments sponsored adult education programs. Though Italy still has one of the lowest proportions of readers in Europe, surveys taken in the 1950's indicated that 65 percent of the adult population never read a daily newspaper. By 1978, daily newspaper readers had increased to about 53 percent of the adult population. 48

Due to the corruption and scandals associated with Italy's intelligence and security services during the 1960's and early 1970's, Italians held these services in great contempt. Chapter III dealt with this matter in depth. The purging and reorganizating of these agencies helped restore faith in the system. The true cornerstone, however, in this change of attitude was prompted by the Moro kidnapping and murder. One author states that when the system was struck at its very heart by the kidnapping and assassination of Aldo Moro the people rallied to it.⁴⁹ Public support permitted greater, more effective police action. The measures which followed included the assignment of Chiesa Dalla to head Italy's special counter-terrorist squad. Strong anti-terrorist legislation, discussed in Chapter III also followed. All of this occurred with public support and new found cooperation and respect for the government's security services and laws. The nation had arrived at a kind of cooperation between the public and the authorities.⁵⁰

As pointed out, living conditions for Italians have improved significantly. Educational opportunities have expanded and numbers of

educated increased. During the late 1970's, the authorities and the public became galvanized in an effort to preserve their governmental system.

Dr. Levy also developed a set of political indicators which include: a government not representative of the people; government ignoring the people's wishes; and government's failure to identify legitimate grievances. As seen earlier, significant legislation occurred during the 1970's and 1980's which directly reflected the mood of the era and will of the people. As discussed, many of the issues which produced the legislation were either a direct result of the violent events of the late 1960's or fostered by the climate of those times. The gains achieved by the trade unions were particularly significant. The Labor Law of 1970 proved a true advance for the nation's labor force. As discussed, numerous social reforms were brought about by the efforts of the trade unions. These changes occurred only as the government grew more sensitive to the compelling needs of its people. In a further effort, the government attmepted to decentralize its control by the institution of regional governments. Though of limited success, it did create more autonomy at the regional level of government.

The Divorce Law further conceded to the wishes of Italy's people helping to stem the social frustration experienced during the 1960's. The Divorce Law was a very symbolic development. Italy was steeped in the traditional catholic hard-line opposing divorce. Such a turnabout signalled a significant change in social values to which government responded. The Abortion Law was another endorsement of both change in

social values and in government's commitment to its people's wishes. The reduction of the voting age gave the nation's youth direct input to government and an opportunity to become a part of the system.

Collectively these developments served to largely placate the people and cool the heated events of the 1960's. Government came to better represent its people, respect their wishes, and take positive action on their legitimate grievances.

Dr. Levy lists several indicators under law enforcement. Among these are: corruption in police; idleness; weak leadership; lack of respect by population and ineffective counter terrorist programs.

The total reorganization of Italy's intelligence and security services in 1977 was described earlier. This reorganization was a direct result of the clamor over rampant corruption within the services and government's inability to effectively deal with the terrorist problem. The reform, as recalled, introduced four major innovations:

- (1) a more stringent supervision of the intelligence and security services by the government and, for the first time, oversight by Parliament;
- (2) the separation of intelligence and internal security functions into two services;
- (3) an additional separation of intelligence and security functions from law enforcement functions; and
 - (4) new regulations governing state secrecy.

Although these reform measures had limited success in making the services more effective, the move did curtail the corruption and abuses that had existed earlier.

After Carlo Dalla Chiesa was appointed to head the nation's special anti-terrorist squad, tremendous inroads were made in combatting terrorism. Chiesa's special powers, large budget and his intelligence network produced almost immediate results in the battle against terrorism. These efforts in conjunction with the special anti-terrorist legislation of the late 1970's and early 1980's, served to stem the terrorist movement as statistics revealed. These successes bolstered public confidence in Italy's police agencies and reinforced public support.

The efficiency with which the Italian anti-terrorist forces came to operate was impressively demonstrated during the Dozier kidnapping. Dozier was abducted by the Red Brigades on 17 December 1981 from his apartment in Verona, Italy. 51 Forty-two days later, he was swiftly and bloodlessly freed from a "people's prison" in nearby Padua by a SWAT-type unit of the Italian State Police. 52 This flawless counterterrorist operation won Italian law enforcement international acclaim and, more importantly, marked the beginning of a major reversal of the terrorist onslaught. 53

Though Italy's early responses to the terrorist threat were weak and indecisive, as a result of measures taken in the 1970's and 1980's they became strong and effective. Italian law enforcement agencies now commanded the respect of the Italian people.

In summary, through the 1970's and 1980's corruption within security and intelligence services was reduced and the lack of response to terrorism was reversed. Leadership was strengthened. Law enforcement forces gained the respect of the population and counter-terrorist programs became effective.

The final category of indicators identified by Dr. Levy is economic. The indicators include: high inflation; unemployment; over-population in certain areas; and high prices with inability of the population to buy local products.

As earlier described, inflation and unemployment remained high throughout the 1970's and into the 1980's. However, after taking into account the underground economy, unemployment statistics were proven unrealiable. Italy's underground economy contributes quite significantly to the viability of the country.

In addition, all of Italy's jobless receive the benefits of <u>cassa</u> <u>integrazione</u>, a system financed by business and government. It pays at least 80 percent of one's salary over a period that may be unlimited.⁵⁴

A liberal pension program also exists. As reported by Franco Cavallari, an adviser to the Minister of Fiance, "We have 7 million disability pensions. We also have old-age pensions, war pensions, homemaker's pensions and pensions for those who have no retirement benefits."55

Wage indexing for labor was also discussed earlier. This measure has permitted labor to stay ahead of high inflation and rises in consumer prices. These factors off-set the often misleading statistics regarding Italy's economic condition and that of its people.

Much earlier in this chapter the massive migration of Italians during the 1950's and 1960's into the urban centers was discussed. This created crises in housing, schooling and urban development. As noted, more out migration than in migration occurred after 1975. This trend served to relieve much of the urban pressure caused by the ear-

lier influx of people.

As a result of these developments, high inflation, unemployment and high prices were ameliorated. Overpopulation was stemmed as Italians left the large urban centers in pursuit of small industry and business opportunities in the rural areas. And on the whole, Italians were better off financially through the period of 1970's and 1980's than before.

In summary, this chapter has shown that from the inception of the Italian Republic, social, political and economic developments evolved rapidly. Growth and modernization through the 1950's and 1960's resulted in some adverse effects. High expectation on the part of Italy's people were frustrated due to various social, economic, and political events which culminated in the mid and late 1960's. Corruption permeated the civil service system. Government was weak. The university system was archaic. As a result of industrialization, massive migration to the urban centers occurred creating serious social crises. Unrest quickly spread throughout the student and labor force resulting in large scale violence. It was this period in the late 1960's that gave birth to Italy's terrorist problem.

Though terrorism raged into the 1970's, the conditions, as we saw, no longer supported the movement as had been the case in the late 1960's. Labor was appeared through various trade union victories. The student movement lost steam and society as a whole became disenchanted with the violent alternative of terrorism. The Moro kidnapping and murder especially served to rally Italians in support of the government's battle against terrorism.

Through the 1970's and into the 1980's, Italian politics continued in its familiar form of stable instability. The economy's progress was spotty while social reform and change occurred rapidly. Through these events, however, the people of Italy realized an improved lifestyle. This fact undercut much of the support which the dissident movement had earlier known.

The Davies J-curve and the general indicators developed by Dr. Levy have been very useful in gauging events in Italy. Through the use of these tools, one is able to better understand and analyze from a historical perspective the causes of Italian terrorism and the cause of what appears to be its decline. The future course of Italian terrorism will in part be the subject of the concluding chapter.

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CHAPTER V

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Summary

The purpose of this study has been to analyze the phenomena of Italian terrorism from its beginnings through the present time. An additional purpose is to provide the intelligence analyst a view of societal conditions which may give rise to terrorist/revolutionary activity within a given country, in this instance Italy. This breeding ground produces recognizable indicators which if not detected and, therefore, not addressed through governmental and socio-economic reform may lead to instability.

Italian terrorism took root in the late 1960's as a result of explosive social, economic and political developments which grew out of the postwar era. This escalation in terrorist activity reached epidemic proportions during the 1970's, forcing the state to respond to the spiraling violence. Government measures included: a reform of state security apparatus; establishment of an elite anti-terrorist organization; and stringent legislation. All of these measures were greeted by a society fed-up with senseless violence, the bitter fruit of terrorism.

Though reduced by these countermeasures, the traditions of terrorism are slow to die and continue to manifest themselves in acts of violence committed even as this paper is being written. Such terrorist violence certainly will continue in varying degree well into the future.

Conclusion

The paradox of Italian politics persists as Italian governments change on the average of about every 10 months. In spite of this frequent turnover, the DC continues to dominate Italy's coalition governments providing significant continuity in state government. Though coalitions frequently shift, the more prominent ministry posts generally enjoy greater stability. Also, individuals may change posts within governments, all the while steadily serving through numerous governments. As a result, political and stability continues to impose experimental coalition formulas upon the country while drawing upon an essentially stable source of principal political players.

Italy's economy leaves much to be desired in terms of stability as earlier discussed. A recent report did, however, indicate that Italy's growth rate for 1984 was 7%.² This stands in sharp contrast to the near zero growth rate of 1981.³ Exports are presently booming and the future may merit a cautious note of optimism. But inflation currently sits at 10% and unemployment at 9.5%, so many economic obstacles remain to be overcome.⁴

This backdrop of uncertainty renders a conclusion regarding Italian terrorist activity difficult. Several sources point to the decline of terrorism within Italy in recent years and count the menace largely conquered. Italy's President, Sandro Petrini, declared terrorism defeated. Another source describes Italian terrorism as seriously blunted if not defeated. Though some merit exists in this line of reasoning, it may be misleading to categorically accept such thinking as conclusive. This author would agree that Italian terrorism no

longer proves life-threatening to the Italian state. Nevertheless, its existance and potential to rebound cannot be discounted.

Several accounts document the decline in Italian terrorism. One report cites violent incidents which had numbered 2,500 in 1978, dropped to a handful in 1983. Another report indicates that over 2,000 convicted terrorists (1,600 leftists and 400 right-wing) are currently confined in Italian prisons which in part speaks to the effectiveness of the country's terrorist countermeasures. Such facts and figures have left many with a prudent sense of optimism regarding the terrorist problem.

However, according to police there are still about 350 terrorist on the wanted list, 270 of them linked to the Red Brigades or right-wing philosphies.⁹ In March of 1984, terrorists were credited with robbing a Rome security company of \$21.8 million.¹⁰ In December of 1984, right-wing terrorists were blamed with the bomb blast aboard Train 904, the Naples to Milan express, killing fifteen people.¹¹ From these reports, it is apparent that the terrorist potential still exists, though diminished from a decade ago.

Attention is now turned to the Davies "J" curve and Italy's outlook regarding terrorism. As earlier explained, Davies' "J" curve supposes that a significant variance between perceived needs and needs satisfaction results in revolutionary activity. As discussed in Chapter IV, present conditions in Italy do not support a predictable upsurge of terrorism on the scale of the late 1960's. Additionally, this author does not believe Italian terrorism will revive in the manner of the 1960's and 1970's for several reasons.

Through all of the terrorist mayhem of the 1960's and 1970's, the Italian people became intolerant of the abhorrent acts of terrorist violence. The milestone in this change of attitude occurred as a result of the Moro case. "In killing Moro, many terrorist supporters were antagonized." Public sympathy was lost and moral isolation set in. As stated by Livingstone, "If dissidents resort to violence before exhausting all peaceful remedies it is unlikely they will enjoy significant popular support, as in the example of the Red Brigade...." 13 This was the beginning of a decline. Terrorism prospered as long as they could convince enough potential supporters that the problems of Italian society could only be solved by armed struggle against the state. It declined when it became obvious that they had no chance of achieving this utopian goal. 14

This disillusionment with terrorism resulted in large scale defections. The growing disillusionment with terrorism as a means of change was cleverly exploited by the "pentito" legislation, earlier discussed. Terrorist organizations were weakened by defections, and continued acts of violence like the bombing of the Bologna train station further alienated the public. All of these combined to cripple Italian terrorists.

Though various conditions may exist to support an argument for continued large-scale terrorist activity, the mindset of the Italian people has changed since the late 1960's. First, violence is no longer seen as a viable means to bring about social, economic or political change. But most important, as Sherry Buchanan of the Wall Street Journal states, "An encouraging ingredient remains, and it is the

remarkable fact, and a characteristic of most Italians, however temporarily pessimistic they may be, that those who bemoan the system and its deficiencies the most are also those who express a sort of fatalistic acceptance that somehow it will survive." Though Italy may have a crisis the Italians do not. No intolerable gap, in Davies' terms, is perceived by the majority of Italy's people, as discussed in Chapter IV. As a result, no significant terrorist activity representing social themes of the 1960's and 1970's can gain significant popular support at present. Without this support the terrorist potential is severely restricted.

This is not to imply that acts of terrorism within Italy will cease. It is this author's belief that left-wing terrorism will assume new directions. In February of 1984, Leamon Hunt, director general of the Multi-national Force and Observers in the Sinai, was shot to death as his car idled in front of his Rome residence. 18 In January, the Libyan Ambassador to Italy was gunned down. 19 The account describing these events suggests new Middle East ties to Italian terrorism and a possibility of new found life to Italian terrorism through this Middle East connection. 20 Other unconfirmed reports find terrorist links with organized crime in Italy. 21 Ecological and nuclear movements could also rise and banner terrorist activity.

Vittorfranco Pisano discusses the Leamon Hunt murder and its implication. Pisano states, "The action against Leamon Hunt which can in no way be construed as the exploitation of a mere target of opportunity in the path of a terrorist reconnaissance patrol, is therefore best analyzed in the light of both internal and international considerations.

In the first place, it is indicative of a firm will on the part of the terrorist left to reconsolidate after two years of near-defeat. Second, but no less importantly, it represents an effort at better integration in the international terrorist left and a concomitant shift in emphasis from domestic to international affairs as the responsibility claim would also suggest."22

Pisano goes on to say, "The Red Brigades' more dynamic commitment to anti-Western internationalism, a trend also discernable in the remnants of other formations of Italy's terrorist left, has the potential for inducing substantial support from kindred foreign bands and exploitative patron states committed to communist ideology. At the same time, however, increased external support could cause the Italian subversive left to lose a considerable amount of its revolutionary autonomy and thus assume an additional or preponderant role as the emissary of foreign interests. Should this transpire, a new chapter of Italian terrorist history will open up."23

Though left-wing terrorism came to overshadow right-wing terrorism during the mid 1970's, the right-wing terrorist problem persists. This right-wing threat manife_ted itself once again with ugly force on 23 December 1984 in the Train 904 bombing. In spite of assessments that right-wing terrorists are small and not well organized, the sting of right-wing terrorism remains fatal.²⁴

Italy's future will certainly see continued terrorist activity. Left-wing extremism will not, however, arise from the revolutionary socioeconomic themes of the 1960's and 1970's nor enjoy large-scale popular support. With new aims and impetus, left-wing terrorism will

likely plague the Italian nation for many years to come. From the right, terrorism will continue in an effort designed to bring about a return to rigid and orderly rule by a fascist elite.²⁵ In pursuit of this goal, the right will likely persist in their indiscriminate acts of violence.

Recommendations

The topic of Italian left and right-wing terrorism is broad and complicated. The scope of this paper is necessarily limited, dealing primarily with the birth of Italian terrorism; its growth; the state countermeasures developed to combat terrorism; and concluding remarks on its future. Many areas remain to be explored. Training of Italian terrorists is a fundamental area of concern. Links between Italian terrorists and international terrorist organizations deserve much attention and certainly a study of the new rallying points being developed by Italian terrorists. All of these subjects are extensive and require in depth study.

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